



April 5, 2021

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

RE: Dominion Energy South Carolina, Inc.;  
Request for Approval to Sell Real Property and Waiver of Bid  
Requirement  
Docket No. 2021-\_\_\_\_\_-E

Dear Ms. Boyd:

South Carolina Code Ann. § 58-27-1300 (2015) requires Dominion Energy South Carolina, Inc. ("DESC" or "Company") to obtain approval from the Public Service Commission of South Carolina ("Commission") when the Company seeks to "sell, assign, transfer, lease, consolidate or merge its utility property" in excess of \$1,000,000. Further, by Order No. 92-931 ("Order"), dated November 13, 1992, issued in Docket No. 89-230-E/G, the Commission approved certain recommendations and reporting requirements regarding real property owned by DESC. Among the recommendations and reporting requirements relating to real property, the Order requires DESC to engage in a competitive bidding process for sales of property with an appraised value in excess of \$50,000 ("Bid Requirement"). See Appendix A to Order, pp. 20-21. For the reasons stated herein, the Company, pursuant to § 58-27-1300, respectfully requests that the Commission issue an order authorizing DESC to transfer two parcels of real property, as more fully described below, to the City of Columbia ("City") and waive the Bid Requirement set forth in Order No. 92-931.

**Background**

DESC desires to sell two parcels to the City of Columbia. The first parcel to be sold consists of 2.24 acres, more or less, located at 3000 Harden Street in Columbia, South Carolina and outlined in red on the attached Exhibit A ("Harden Street Parcel"). The sale of the Harden Street Parcel includes all improvements to the parcel including the one-story office building containing approximately 5,546 square feet, and all furniture, fixtures, equipment and personal property of DESC on the parcel that is not a component of DESC's confidential customer data or critical security infrastructure. The Harden Street Parcel has an appraised value in excess of \$50,000. The Harden Street Parcel was previously used as a customer service center to support the Company's utility operations in the metro Columbia area. However, it is no longer in use; the operations and employees have been relocated within the Company.

The Honorable Jocelyn G. Boyd

April 5, 2021

Page 2

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The second parcel to be sold consists of 3.144 acres, more or less, located at 1213 Flora Street in Columbia, South Carolina and outlined in red on the attached Exhibit B ("Flora Street Parcel"). The sale of the Flora Street Parcel includes all improvements to the parcel including the one-story office building containing approximately 7,355 square feet and all furniture, fixtures, equipment and personal property of DESC on the parcel that is not a component of DESC's confidential customer data or critical security infrastructure. The Flora Street Parcel has an appraised value in excess of \$1 million. The Flora Street Parcel was previously used as a data center and a customer service center to support the Company's utility operations in the metro Columbia area. However, it is no longer in use; the operations and employees have been relocated within the Company.

DESC intends to enter into an agreement with the City, whereby the City will purchase both properties for \$2.93 million, which equals the combined appraised value of the two properties.

The Harden Street Parcel and the Flora Street Parcel, along with the personal property items included therein, are classified on the books and records of DESC as common utility property and, as such, are included within the Company's rate base for electric and gas operations as appropriate. In accordance with the FERC Uniform System of Accounts prescribed for public utilities, as adopted by the Commission, any sales proceeds attributable to the structures, furniture, fixtures, equipment and other personal property will be credited as salvage to the accumulated provision for depreciation of the property. Any gain realized from sale of the land will be recorded in Account 421.1000 entitled "Gain on Disposition of Property", while any loss realized from sale of the land will be recorded in Account 421.2000 entitled "Loss on Disposition of Property."

### **Request for Authorization to Transfer the Flora Street Parcel to the City**

DESC, pursuant to § 58-27-1300, is prohibited from selling utility property valued in excess of \$1,000,000 without obtaining the Commission's approval. In this instance, the Flora Street Parcel is valued in excess of \$1,000,000 and the Company wishes to transfer the property to the City. Based upon the foregoing, DESC respectfully requests that the Commission issue an order authorizing DESC to transfer the Flora Street Parcel to the City.

### **Request for Waiver of Bid Requirement**

In Order No. 92-931, the Commission articulated a requirement that if DESC seeks to sell real property with an appraised value in excess of \$50,000, then the Company must engage in the Bid Requirement outlined in detail in the Order. [See

The Honorable Jocelyn G. Boyd

April 5, 2021

Page 3

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Appendix A to Order, pp. 20-21].<sup>1</sup> The Company understands that the purpose and intent of the Order is to protect against affiliate preferences and to ensure that DESC disposes of real property in a manner that promotes fair and equitable treatment of the parties to the transaction, potential bidders, and DESC's customers.

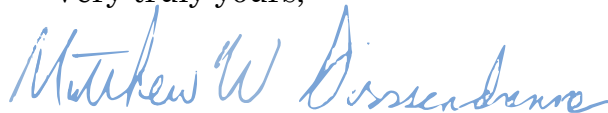
In the present case, DESC has no future plans or current use for the Harden Street Parcel and the Flora Street Parcel. Moreover, the Company has identified a purchaser for its property who is willing to pay fair market value for these combined properties. Furthermore, the purchaser of this property is not affiliated in any manner with DESC, its parent, or any of its affiliates. Based on the foregoing, the sale of the DESC property in the manner described herein encompasses the fair and equitable considerations prescribed in Order No. 92-931. Accordingly, DESC respectfully requests that the Commission issue an order authorizing the Company to sell the Harden Street Parcel and the Flora Street Parcel to the City without engaging in the Bid Requirement described in Order No. 92-931.

The request for relief set forth herein will not involve a change to any of DESC's retail rates or prices, or require any change in any Commission rule, regulation or policy. Accordingly, neither notice to the public at-large, nor a hearing is required regarding this request.

By copy of this letter, we are also notifying counsel for the South Carolina Office of Regulatory Staff of the Company's request for approval to transfer the Harden Street Parcel and the Flora Street Parcel to the City and waive the Bid Requirement set forth in Order No. 92-931.

If you have any question, please advise.

Very truly yours,



Matthew W. Gissendanner

MWG/kms

Enclosures

cc: Dawn Hipp  
Jeffrey M. Nelson, Esquire  
(all via electronic mail and U.S. First class mail w/enclosures)

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<sup>1</sup> In Docket No. 2019-386-E, the Commission voted to approve the Company's proposed Code of Conduct, subject to certain revisions proposed by the South Carolina Office of Regulatory Staff. A final order approving the Code of Conduct is pending. Once the final order is issued, the Bid Requirement will be applicable only to sales of property with an appraised value in excess of \$1 million.



**3000 Harden Street Business Office**  
**R11502-02-01**  
**+/-2.24 acres**

MEDICAL PARK RD

BROAD ST

MEDICAL PARK RD

ADAMS GRV

COLONIAL DR

HARDEN ST EXT

SLIGHS AVE

EAGLE AVE

HARDEN ST

CARDINAL DR



1 inch = 200 feet



**1213 Flora Street Business Office**  
**R11301-04-24 & R11301-04-06**  
**+/- 3.15 acres**

Exhibit B  
Page 1 of 1

ELECTRONICALLY FILED - 2021 April 5 7:32 AM - SCPSC - Docket # 2021-120-E - Page 5 of 5

Whaley Street

Assembly Street

Flora Street



**1 inch = 150 feet**

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community